

III. Policy Issues

20. In the preceding section five broad organizational structures were discussed; each represents a different compromise among the policy issues that await early decision. In the following sections each of these policy issues is discussed in its own right.

A. Leadership Issues

21. The HPSCI Staff Report noted that there is a need for a leadership focus for warning. In particular the HPSCI recommends, "That the D CI provide a focus for warning leadership in the community, which may require appointment of a special assistant for warning." Most observers share the HPSCI view on the existence of a basic need, but there is room for disagreement about where to lodge the focus function and about what form it should take. The decisions made will largely determine the balance that is struck between two sets of competing demands in the area of warning and crisis management.

-- How to balance the attention given to analysis against that given to collection. Most observers agree that current analytic weaknesses are of more immediate concern from a warning viewpoint. However, collection involves far more resources; errors there can be more costly in terms of routine operations. Further, the allocation and control of collection assets will present some of the most contentious decisions in crisis management.

- How to balance the demands on analytic and collection resources that arise from military requirements against those that arise from the broader needs of the President and his foreign policy advisers.

22. Leadership can be placed in:

-- O/DCI

Pro -- Symbolic of importance of warning.

-- Ready access to DCI.

-- Clearly a Community position.

Con -- DCI spread too thin to give it attention.

-- Could be perceived as subverting chain of command.

-- O/DDCI

Pro -- Symbolic importance still there.

-- Moderate access to DCI.

Con -- Could be perceived as subverting chain of command.

-- O/DD/NFA

Pro -- Warning is largely an analytic problem and here's where the assets are.

Con -- Tendency for Defense to see this as a "CIA" position.

- Reduced access to collectors, especially for planning crisis management preparations.
- In-house coordination a problem.

-- O/DD/CT

- Pro -- Seen by Defense as more "Community" than DD/NFA.
- Here is where control of collection assets used in crisis management will be exercised.
- Con -- Reduced access to analysts who are primary warning source.
- In-house coordination a problem.

-- O/DD/RM

- Pro -- Short of DCI the Deputy most seen by observers from outside CIA as "Community."
- Has expertise to examine programs and evaluate efforts.
- Con -- Has direct control of no analytic or collection tasking assets.
- Assignment of this function would require broadening charter somewhat.

-- Defense Department

- Pro -- Access to elaborate DoD I&W mechanisms.
- Con -- Split responsibility to DCI and SecDef.

-- Lack of access to DCI and political analysts.

-- Will not be seen as Community.

-- Or it can be split. One possibility is to split responsibility between DD/NFA and DD/CT. The factors arguing for or against any such split are:

Pro -- Warning and crisis management cross existing organizational responsibilities.

So putting focal point under any one Deputy (except DDCI) will do violence to the existing chain of command.

Con -- Splitting the function will be seen by most observers as reducing the importance attached to fulfilling the warning function.

23. A secondary question is what form the leadership should take. The choice has been expressed as an individual (and perhaps an assistant), an interagency committee, or an operating organization of up to 25 people. This turns out not to be a choice, however. Any individual with staff responsibility under the DCI for warning is going to need some sort of interagency committee or working group through which to coordinate Community activities. (On the other hand, it is general agreement that such a committee would be managerial and should not be involved in the substantive process of warning.) Any operating organization will have to be headed by an individual who serves as the DCI's "leader" or answers to him. The question then is really

whether the individual needs to be backed up by such an organization.

Pro -- Such a staff can do independent warning analysis.

-- Can perform an effective devil's advocacy role in the Community.

-- Provides locus of responsibility for producing the warning message.

Con -- Costly.

-- Problem keeping such a group relevant.

They tend to become isolated and moribund.

-- Competition with line organizations.

24. Closely related to this question is the disposition of the Strategic Warning Staff:

Pro --

Con --

25. A final question is the focus of the Community warning effort.

Should it be broadly focused and deal with all major developments that are of concern to the national level, or should it be confined to the traditional narrow focus of "strategic warning," military attack on the US or its allies? Obviously there is a middle ground, e.g., matters that might lead to US-Soviet confrontation, and major wars between third powers. It is also possible to visualize a hybrid system in which the differences between broad definition and narrow definition are reflected in different organizational and procedural treatment.

Pro --

Con --

26. Provision of the discipline and challenge functions.

B. Analytic Issues

Pro --

Con --

C. Crisis Management Issues

XX. As noted above, the warning issues are the primary ones at this time. But shaping the management structure for warning and for crisis will be difficult without decisions on two issues: Where you locate your task force in crisis and whether we should attempt to resurrect the national task force. The latter question also needs to be settled before any major crisis hits us.

XX. The task force report went at some length into the location question and summarized its analysis in the attached table.

XX. We assume on the basis of experience that you will need a task force of analysts to prepare briefings, periodic situation reports, and assessments for you and your primary customers. (Under the new organization, such a task force will, of course, contain collection tasking elements as well.) You can do this in three ways:

-- A truly "national" task force, jointly manned
by the Community agencies and producing a
single periodic situation report for the en-
tire national security establishment.

Pro --

Con --

-- An NFAC task force with INR & DIA representation and liaison preparing a DCI situation report with some interagency participation.

Pro --

Con --

-- An NFAC task force issuing an independent NFAC situation report.

Pro --

Con --

D R A F T
31 August 1978

MEMORANDUM FOR: Director of Central Intelligence

THROUGH : Deputy Director of Central Intelligence

FROM : Robert R. Bowie
Deputy Director for National Foreign Assessment

X1
Deputy Director for Collection Tasking

SUBJECT : The DCI's Role in Warning and Crisis

REFERENCES : a. Report on the DCI's Role in Warning and
Crisis, dtd 22 June 1978

b. Memorandum from DCI to DDCI, same subject,
dtd 18 July 1978

Introduction

1. Your memorandum of 18 July remarks inter alia that, although all the relevant sources and experiences are cited in the Working Group's report, the report does not lay out "a series of alternatives between which we can exercise a decision-maker's judgment." You asked for a statement of the essential elements of warning, some alternative ways to achieve an adequate warning program, and an evaluation of previous organizational arrangements for warning.

2. Knowing that you have read the report, we have not attempted to rewrite it or to review again for you the argumentation and background. Rather, this memorandum is confined to the questions you raised.

3. Our approach to providing you the clear alternatives you ask for is necessarily somewhat complex, reflecting the intractability and intertwining of the issues. Section I of this discussion lays out the minimum requirements for a national warning system as a yardstick against which to judge alternative approaches. Section II develops a number of models of national warning systems, past, present, and possible, and measures them against the yardstick of Section I. It will be apparent that in deciding among these models, or considering others not discussed, you will have to make certain fundamental choices. These are presented in Section III.

4. The Working Group noted that warning and crisis management probably should be managed together, as related functions involving many of the same people and organizations, but that substantive operations should be kept separate, in order that a crisis in progress not obscure the potential emergence of another. For that reason, we address crisis management in Section II by judging whether particular arrangements for Community coordination of warning policy and procedures are suitable for a parallel coordination of crisis management matters. For the substantive side of crisis management, the Working Group did not recommend any change from the approaches you had already evolved ad hoc. We do not, therefore, review these here, but a few issues remain to be determined. These are included in Section III.

5. When you are ready to express your tentative preferences on the issues here presented, we recommend you meet with us for a review

before finally committing yourself. At that time we should also discuss how best to engage the rest of the Community.

I. Requirements for a National Warning System

6. The discussions in the Intelligence Community over the past few years indicate a consensus as to the essential ingredients of a warning program. The wording varies from one forum to another and from one warning and crisis study to another, but one can perceive these essential principles:

- Warning must be an explicit mission of all intelligence organizations,
- There must be a way to converge intelligence information in order to analyze it for I&W content,
- The output must be recognizable as warning,
- The output must flow up, laterally, and down.

7. The complexity of the warning mission has increased rapidly in recent years and the indications of impending crises come to us from a wide variety of geographical and functional specialties within and without the Intelligence Community. We must assign warning as a mission for all intelligence organizations because of the many sources of indications and in the interests of economy. We cannot afford to duplicate the Intelligence Community with an apparatus devoted solely to I&W.

8. There is a requirement that intelligence information converge in order to analyze it for warning. This implies both a technical

capability for handling information and a means of focusing organizational activity.

9. The intelligence message must be clearly recognizable as a warning. The last thirty years are littered with crises where the indications are perceived, evaluated, and passed on to military operators and national decisionmakers; but the warning message was not effectively communicated. There were several reasons for such failures. In some cases the intelligence analyst simply failed to recognize the indications of a crisis. In many more cases, however, the message lacked a warning label because the sender did not have an explicit warning responsibility and a concomitant authority to send a "warning." In other cases, the military operator or national decisionmaker failed to heed the warning because the sender was not "the official warning office."

10. There must be an established and readily recognizable means whereby the output of a national warning system flows up to the President, laterally to other departments, and down to the military operators. Placing all on the same footing is an obvious responsibility. It is less obvious that the national warning system is dependent upon inputs from the same sources to which it owes warning.

11. Just as there is general consensus on the essentials of a warning system, there appears to be consensus on the functions that such a system must incorporate. These are:

- Coordination, across the Community and across disciplines, of warning management, policy, procedures and methodologies.

- Analysis, the identification, convergence, and assessment of warning information and the formulation of the warning message.
- Discipline, the means by which Community line organizations, which have primary responsibilities other than warning, are kept sensitive to their warning responsibilities.
- Challenge, the insurance taken out against analytic failure.

II. Systems for Warning

12. There are any number of ways in which these functions can be wired together in a national system. The range is bounded at one extreme by an integrated collection and analysis system fully dedicated to warning and at the other by no system at all. The first is unacceptable as enormously expensive and duplicating (warning is an integral part of all analysis), the second is equally unacceptable both politically (the DCI's "Pearl Harbor" responsibility) and practically (central coordination is needed).

13. In this section we analyze both systems used in the past, as you requested, and some other approaches, against the set of requirements postulated in Section I.

14. The "Watch Committee" system used from 1951 to 1974 consisted of a senior interagency committee, usually chaired by the DDCI, that prepared weekly and occasional special Watch Reports, and a 24-hour jointly manned National Indications Center under a CIA Director. The Committee submitted its reports to USIB (now NFIB) and the DCI

issued them after USIB discussion as it is still done with estimates. The NIC was linked to the working levels in each intelligence agency through a network of staff officers who acted as warning referents.

15. This arrangement provided all the functions needed for a system. The Watch Committee, assisted by the NIC and staff arrangements throughout the Community, handled both the coordination of policy and operations and the analytic function; the DCI had a central focus for warning. The Community-wide review that was required to prepare for the weekly Committee meetings provided the discipline necessary. The Committee and the NIC, in theory at least, performed the challenge function from a position partially independent of the current intelligence apparatus.

16. This system eventually failed, not because it was ill-conceived, but because the world in which it functioned changed and it did not.

- The intense national concern with surprise Soviet attack which had caused its creation gradually decreased. This led Community managers to give a lower priority to the assignment of good people to the warning apparatus. In time, the NIC became a turkey farm.
- As a consequence, the NIC was no longer capable of performing a challenge function and could not command the respect of line organizations in this role.
- The Watch Committee/NIC missions became confused with the current intelligence mission. The result was both to diffuse

the warning effort and to place it in competition with current intelligence.

- The intelligence business matured mightily in the two decades after 1951. Whereas the NIC was the only thing of its kind at the beginning of the period, it had been badly overtaken by the agency operations centers at the end of it in terms of facilities, communications, and access. If it was to play a role in the '70s, it would need an extremely expensive modernization that would unnecessarily duplicate existing facilities. It was, in effect, a fossil of the '50s.
- Handling substance through a committee system, both at the Watch Committee and the USIB (NFIB) level, was barely workable in the '50s but was never the most effective way of developing a clear warning message. By the '70s, it had degenerated into haggling over the wording of current intelligence and was clearly ineffective.

17. The reorganization of 1974 abolished the Watch Committee and the NIC. The Deputy Director for Production, DIA was designated by the DCI as his Special Assistant for Strategic Warning. Under him, a jointly-staffed Strategic Warning Staff was established with a CIA Director. "Strategic Warning" was more precisely defined to deal only with military attack by Communist powers on the US and its allies. (This is the definition referred to below as the "narrow" warning

mission.) The SWS was to be a challenge mechanism and to conduct research in the indications and warning field. The Special Assistant, on the advice of the Director, SWS, was to be responsible for recommending to the DCI the issuance of Strategic Warning Notices. (None has ever been issued.)

18. The strong points of this arrangement were that it gave full recognition to the DoD role in strategic warning and that it provided a direct and uncluttered channel for the warning message. But if the Watch Committee system had been ponderously bureaucratic and stultified, its replacement went too far to the other extreme. In eliminating outmoded organizations and mediocre personnel, we also eliminated the critical underpinnings of a national warning system. The terms of the essential functions noted above:

-- The Special Assistant -- a senior DIA officer -- was supposed to combine, under the DCI, the coordination of policy and operations and the analytic mission. In fact, in his anomalous position -- with secondary duties assigned by an authority whose interests often are different from those of the authority for whom he performs his primary ones -- he could not play a central coordinating role. The arrangement was widely seen as a retreat by a besieged DCI (Colby) from his warning responsibilities. The Special Assistant has exercised his authority only within the DoD chain of command.

- The SWS has no formal links to the rest of the Community and there is no Community-wide warning organization or routine. Warning outside DoD is entirely a current reporting responsibility. Thus the SWS is unable to serve as an energizing force for warning matters and the warning discipline that might sensitize the Community is lacking.
- Without structured links to the Community the SWS is ineffective in its challenge role. Many analysts are unaware of its existence. Moreover, although it did not inherit the personnel or practices of the NIC, it suffers from the same manning problems.
- The narrowed scope of the strategic warning mission omits a wide range of the warning spectrum. (Referred to below as the "broad" warning mission.)

19. New Models. Current pressures for structure and order, e.g., from HPSCI, are a recognition of these weaknesses. Some relatively feasible and inexpensive ways of repairing them are as follows:

A. Fix the present system. This would require stronger links between the Special Assistant and the DCI on the one hand and the SWS and Community analysts on the other. It could be done by:

- Creating a DCI Committee on Warning chaired by the Special Assistant, and charged with the coordinating of warning policy and

charged with the coordinating of warning policy and operations for the Community (but not the analytic mission).

- Reaffirming and publicizing the Special Assistant's responsibility to the DCI for warning analysis.
- Broadening the strategic warning mission to include warning of any situation that might lead to US-Soviet confrontation. (A compromise between the narrow and broad missions.)
- Reaffirming the challenge mission of the SWS and requiring the Community to upgrade its personnel.
- Providing discipline by charging the SWS with conducting a weekly review to sensitize the Community to warning matters; designating referents in each agency through which the full analytic resources of the Community participate in these reviews.

Strengths

- Simple and inexpensive.
- Least disruption of present arrangements.
- Recognized DoD role in strategic warning.

Weaknesses

- DCI is carrying out his most important

single responsibility through an officer
not subordinate to him.

- Focus of coordinating committee in DoD
incompatible with DCI's crisis management
responsibilities to President and NSC.
- The more mission is broadened to include
warning of the politico-military and economic
events that are realistically most likely to
matter to the US in the next few years, the
less appropriate lodging this mission in a
DIA office becomes and the less capable of
dealing with them in a small SWS.
- Conversely, the more narrowly the mission is
defined, the larger that slice of the spectrum
not covered by any structural warning system.
- A SWS charged with warning of events that
are intrinsically unlikely will issue warning
very rarely. Either, like the NIC, it will
atrophy and fail to warn when it should, or
it will go looking for another mission and
confuse Community functions and chains of
command.
- Manning the SWS will be no easier than before.
- There is no clear role for NFAC, the DCI's
own analytic organization, in the warning
chain.

- The responsibilities that the Special Assistant will have in the collection field may conflict with those of DD/CT.

B. An NFAC Warning Center. This model would emphasize the importance of the analytic process in warning.

- Scrap the present system.
- Designate a senior NFAC officer as the DCI's warning and crisis management officer.
- Make him chairman of a DCI Committee charged with coordination of policy and operations.
- Create under him a "Warning Center" in NFAC staffed with perhaps 25 professionals drawn largely from NFAC but with at least some Community participants. It would incorporate, but not control, the NITO for Strategic Warning and his staff. The Center would be responsible for all analytic aspects of warning under a broad definition.
- Provide a Community-wide discipline by requiring the rest of NFAC and other Community agencies to conduct regular warning reviews and provide the results of the Center.
- Encourage challenge and debate among the Center, NIOs, and line organizations.

Strengths

- Recognizes importance of analytic process in warning.

- Provides lively challenge function.
- Center large enough and stimulating enough to avoid stultification, will be much easier to man.
- Center fully able to absorb and analyze warning information.
- Provides a clear focus for the warning information flow Community-wide.

Weaknesses

- Expensive.
- Minimizes attention to management and collection aspects, especially in crisis management.
- Conflicts with responsibilities of DD/CT.
- Community equities given short shrift.
- Overlap of analytic missions will lead to unnecessary bureaucratic frictions, even paralysis.
- Danger of consumer receiving contradictory interpretations because two analytic channels exist.
- Community participation likely to be pro forma.

C. Split the Function

- Scrap the present system.
- Place responsibility for coordination of warning and crisis management policy and operations on the DD/CT with staff responsibility assigned to the NITO for Warning and Crisis Management based in the Pentagon.
- Place responsibility for analytic and production aspects on the DD/NFA (NFAC), and establish an NIO for Warning on his Staff.
- Define warning broadly.
- Assign the challenge function jointly to the NIO and NITO for Warning, each approaching the problem from the perspective of his particular disciplines.
- Provide a network of warning referents in each agency through which the NIO and NITO for Warning can sensitize the Community in their respective areas of cognizance.

Strengths

- Consistent with DCI's reorganization of functions among his deputies.
- Gives major attention to collection and inter-agency coordination aspects.
- Basing coordination element (DD/CT) at Pentagon accommodates DoD equities; facilitates DCI

"shift of flag" to maintain leadership in military-related crises.

- Meets HPSC(I) strictures to integrate and use existing DoD capabilities.
- Least expensive.

Weaknesses

- Warning system focus is split organizationally (HPSC(I) called for a single point of focus) between CT and NFA and locationally between the Pentagon and Langley; split could cause disconnects, e.g., between collection and production.
- Community equities not fully recognized on the analytic side;
- NIO for Warning has neither bureaucratic position or analytic backup to perform effectively, particularly if warning is broadly defined.

D. A hierarchial system. This is the solution recommended in the Working Group study. It attempts to reconcile the diffuse and unpredictable requirements of warning as broadly defined with the critical and often highly specialized requirements of strategic warning as narrowly defined. It would:

- Scrap the present system (but see below).
- Create a unified system with the DCI or DDCI at the apex, acting through a Senior Warning (staff) Officer who would also be responsible for crisis management. (The latter might be a DoD officer on detail to the Office of the DCI.)
- Retain the SWS under the SWO, but improve quality of manning.
- Coordinate Community policy and operations through a senior interagency steering group chaired by DDCI or a DCI Committee chaired by the SWO.
- Handle analytic aspects of warning (broadly defined) through the NIOs acting for the Community, with the SWO having an additional challenge responsibility ("ombudsman for warning"). Provide a Community discipline by requiring each NIO to convene analysts periodically for discussion of future contingencies; each NIO to report results to SWO.

- Handle analytic aspects as narrowly defined through the SWS in consultation with certain NIOs. Provide a Community discipline through reestablishment of referent network, with periodic strategic warning reviews provided to SWS. SWS retains its present challenge function.

Strengths

- Demonstrates importance DCI gives to critical mission.
- Places unified responsibility at DDCI level where collection and production threads come together, keeping management lines clear.
- Recognizes most Community equities.
- Places primary challenge function on officers best equipped to perform it (NIOs).
- Encourages through NIOs broadest Community sensitization to warning matters.
- Accommodates both broad and narrow warning functions.

Weaknesses

- More complicated than other models.
- Would require a few more people than present system.
- Uncertain whether SWS can be made effective.
- May not go far enough toward Community.

E. A variant to D. You have expressed some skepticism as to the usefulness of SWS. It would be possible to eliminate

it from Model D, but it would remove a key element from the system. The SWS is the instrument by which Community discipline with regard to the narrow warning mission would be conducted, and an important node at which strategic warning information would be converged. It could be replaced by:

- Placing an additional burden on the NIO/SP, NIO/CF, and NIO USSR-EE; or
- Creating an NIO for Strategic Warning; or
- Providing the SWO with a staff.

There are difficulties in all these, but the NIO/SW is the most attractive.

As compared with Model D, Model E with the NIO/SW would:

- Be less expensive, as SWS positions could be used to provide the staff positions called for in the agencies and under the DCI.
- Provide somewhat less attention to the narrow strategic warning mission.
- Have slightly less "Community" flavor.
- Be somewhat simpler in structure and function.

III. Policy Issues

20. In the preceding section five broad organizational structures were discussed representing different compromises among the policy issues that await decision. In the following sections each of these policy issues is discussed in its own right. These issues fall into two categories. First, basic organizational and doctrinal issues

that should be decided initially in order to get the show on the road. Second, important issues of substance and administration that can be addressed as well or better after the basic organizational structure is fixed.

21. Leadership Issues. The HPSCI Staff Report noted that there is a need for a leadership focus for warning. In particular the HPSCI recommends, "That the DCI provide a focus for warning leadership in the community, which may require appointment of a special assistant for warning." (See HPSCI Staff Report, pg. 106ff, for complete statement.) Most observers share the HPSCI view on the existence of a basic need, but there is room for disagreement about where to lodge the focus function and about what form it should take. The decisions made will largely determine the balance that is struck between two sets of competing demands in the area of warning and crisis management.

- How to balance the attention given to analysis against that given to collection. Most observers agree that current analytic weaknesses are of more immediate concern from a warning viewpoint. However, collection involves far more resources so that errors there can be more costly in terms of routine operations. Further during crises the allocation and control of collection assets will present some of the most contentious decisions in crisis management.

- How to balance the demands on analytic and collection resources that arise from military requirements against those that arise from the

the broader needs of the President and his
foreign policy advisers.

22. Where to lodge the leadership function. There are a number
of possibilities. None is without fault. Each has advantages.
These are listed succinctly below.

O/DCI

- Pro -- Symbolic of importance of warning.
- Ready access to DCI.
- Clearly a Community position.
- Con -- DCI spread too thin to give it
attention.
- Could be perceived as subverting
chain of command.

O/DDCI

- Pro -- Symbolic importance still there.
- Moderate access to DCI.
- Con -- Could be perceived as subverting
chain of command.

O/DD/NFA

- Pro -- Warning is largely an analytic problem
and here's where the assets are.
- Con -- Tendency for Defense to see this as a
"CIA" position.
- Reduced access to collectors, especially
for planning crisis management preparations.
- In-house coordination a problem.

O/DD/CT

- Pro -- Seen by Defense as more "Community" than DD/NFA.
- Here is where control of collection assets used in crisis management will be exercised.
- Con -- Reduced access to analysts who are primary warning source.
- In-house coordination a problem.

O/DD/RM

- Pro -- Short of DCI the Deputy most seen by observers from outside CIA as "Community."
- Has expertise to examine programs and evaluate efforts.
- Con -- Has direct control of no analytic or collection tasking assets.
- Assignment of this function would require broadening charter somewhat.

Defense Department

- Pro -- Access to elaborate DoD I&W mechanisms.
- Con -- Split responsibility to DCI and SecDef.
- Lack of access to DCI and political analysts.
- Will not be seen as Community.

Split. There are a number of splits possible. One listed among the broad organizational choices is to split responsibility between DD/NFA and DD/CT. The factors arguing for or against any such split are:

Pro -- Warning and crisis management cross existing organizational responsibilities. So putting focal point under any one Deputy (except DDCI) will do violence to the existing chain of command.

Con -- Splitting the function will be seen by most observers as reducing the importance attached to fulfilling the warning function.

23. Form of the Leadership Focus. The choices seem to be among a person, a committee, an organization and some combination of these three.

-- A person with, say, one assistant and 1-2 clerical helpers.

Pro -- This is enough to tweak extant systems and to stir the pot, but is not so much as to duplicate management functions of the line organizations.

-- It is an inexpensive step to take.

Con -- He will be spread pretty thin on the broad warning mission.

-- A committee representing all of the agencies of the Intelligence Community.

Pro -- Decisions made by a group in which each agency has a voice are more likely to stick than decisions made by an independent individual or group.

- A committee of fairly senior officials will provide greater assurance of some management attention to warning in each agency than other alternatives.
- Any officer serving as "focal point" will need a mechanism (a committee or working group) to coordinate Community actions.

Con -- Committees in general tend to arrive at consensus rather than to take an initiative.

-- An organization of one or two dozen people.

Pro -- Such a staff can do independent warning analysis.

-- Can perform an effective devil's advocacy role in the Community.

-- Provides locus of responsibility for producing the warning message.

Con -- Most costly of the three options.

-- Problem keeping such a group relevant.

They tend to become isolated and moribund.

-- Competition with line organizations.

24. How can the discipline function be provided?

This is a generalization of the issue raised in the HPSCI

Staff Report,

"The management role of NIOs in warning analyses -- ensuring the right questions are addressed and that alternative hypotheses are considered -- needs to be emphasized."

The Staff Report assumes that NIOs should provide the discipline function, but depending on how the Intelligence Community is organized for warning in general other options might be used instead of or in addition to the NIO's roles.

Some options are:

NIO's schedule regular meetings, at least monthly, attended by representatives of all agencies to address recent events in their areas from a warning perspective.

Pro -- Such a group will represent the best assembly of knowledge on a particular area in the Intelligence Community and is the group most likely to have seen the straws in the wind that would indicate the need for warning.

-- This is an appropriate extension of the NIO function.

Con -- The mechanism is heavily dependent on the individual skill of the NIO in conducting meetings.

Warning topics are addressed periodically, by a formal questionnaire technique in which knowledgeable analysts are required to respond to the implications of specific pieces of evidence.

Pro -- This mechanism is neater in terms of management oversight in that the topics being covered and responses are more clear

cut than are likely if only periodic meetings are used.

Con -- The administration of such a system will require substantially more money and manpower than simply meeting periodically. Further, such mechanisms tend to become inflexible and to continue on when they have outlived their usefulness.

Systems of indicators can be developed and processed using computer-based data processing of current intelligence to signal the reaching of certain thresholds.

Pro -- This mechanism is the one that is least likely to ignore deviant pieces of information which do not conform to the conventional wisdom.

Con -- Developing indicators is very costly in terms of manpower and money. Operating such a system will require very large investments to keep indicators current and feed the machine systems.

-- Hard to adapt to unstructured (political, economic) problems.

Combination options can be made up of the three basic alternatives above, e.g., one could use meetings to survey the world in general to nominate topics for inclusion in or removal from more formal systems of questionnaires or indicators.

25. How can the challenge function be provided?

This is a generalization of the issue raised in the HSPCI Staff Report,

"No mechanism exists that encourages analysts to address the follow-on questions that are implicit in their assumptions about a situation...or to ensure that analysts confront all reasonable alternative hypotheses. Some NIOs [do not] play a significant role in warning. The SWS...cannot require analysts through the community to address the warning implications of current events or to confront each others' interpretations."

(HPSCI Staff Report, p. 102)

Obviously the answer to the question depends on how the Community is structured for warning in general.

Task the NIOs to challenge the conventional wisdom.

Pro -- The NIOs have the expertise to see disturbing trends and ask hard questions in their areas.

-- The NIOs already have established professional networks or subcommunities within the Intelligence Community into which challenges may be inserted.

Con -- The NIOs are deeply involved in day to day intelligence analysis and may be prone to accept the conventional wisdom.

Establish a special group to conduct warning analyses. In effect, this is to retain or reestablish the SWS with the number of people a variable.

Pro -- It is easier for people who are specifically charged with warning to "think ominously" than it is for people who are caught up in other intelligence tasks.

Con -- Warning organizations tend to become isolated and moribund.

Establish a warning specialist in each major Intelligence Community agency to provide the challenge function in their own agency.

Pro -- The specialist within each agency is more likely to be supported by the senior managers of the agency than is an "outside" organization.

Con -- It is difficult to see how the agency warning specialist can have sufficient area and substantive expertise to challenge effectively without becoming an organization made up of expert individuals. In this case the numbers of people required by the Intelligence Community to perform the warning challenge function is greater than with other options.

Combination options can be made up of the three basic alternatives above, e.g., task the NIOs to perform the challenge function, but have one or two Community warning specialists who periodically challenge the NIOs. Another would be to task NIOs to handle warning in general while a special warning group handles warning of impending hostilities between US and Allied forces and Warsaw Pact or North Korean forces.

26. How to Convey Warning. The HPSCI Staff Report noted,

"No system of products exists to convey warning judgments clearly and persuasively to the user... there is no systematic way for a user to compare today's intelligence judgment with yesterday's and to perceive warning in terms of the rate of change in a situation. Proposals for a coherent family of warning products...have been made..." (p. 104)

What one can do in response to this depends, in part, on decisions made with respect to other issues.

-- Revive the Alert Memorandum with a lower threshold for issuance.

Pro -- It is a reasonably neat, clean statement.

Con -- It does not automatically capture the nuances of changing judgments.

-- Use a regular Intelligence Community publication for a presentation of assessments of warning prospects for various problem areas. How to select

the areas to be treated depends on the overall warning mechanism selected.

Pro -- Will periodically and clearly show how Community assessments change.

Con -- Could require a diversion of current intelligence resources.

-- Danger of turning off the reader by repetitious and stereotyped reporting.

27. Disposition of the SWS. This is a more general statement of the issue raised in the HPSCI Staff Report,

"SWS...should at a minimum be ensured or promptly receiving all warning relevant intelligence, including operational and policy information. SWS should play a less detached role in warning community efforts."

While the HPSCI Staff Report assumes that the SWS will continue basically unaltered, other options are available and indeed are implied in some of the options listed under other issues/problems. Broadly stated the options turn out to be:

Continue the SWS perhaps with minor modifications of coverage, personnel and organization.

Expand the SWS to allow it to perform broad ranging warning analyses.

Disperse the SWS to form a system of agency warning specialists throughout the Intelligence Community. (Option E of the organizational proposals.)

Disband the SWS.

The pros and cons of each of these options are discussed under the appropriate issue/problem heading. In addition there are some arguments that pertain to the SWS as an organizational entity.

In favor of continuing the SWS - The SWS is the most significant Community structure linking various agencies, notably CIA and DoD, in the warning field. It has value as a symbol of the DCI's commitment to an active role in helping DoD solve what it sees as its warning problem.

In favor of dismantling the SWS - The SWS, not organizationally linked to the Community, is widely perceived by analysts as moribund and irrelevant. It will carry this baggage into any new program for warning, in effect requiring that it live down its reputation, something a new organizational structure would not have to do.

28. Strategic Warning. Clearly warning is not equally important for all events. Historically two categories have been used. The boundary between them will be important in defining where components of any organizational structure will focus. For example, any organizational decision which gives both the NIOs and a special organization responsibilities for warning will tend to result in the NIOs covering warning in general (broad definition) and the special organization covering Strategic Warning (narrow definition).

The options available appear to be to define Strategic Warning to include some part of the following list:

- Military attacks by the Warsaw Pact or North Korea.
- Military attacks by the PRC.
- Military attacks by other powers.
- Situations that might lead to US-Soviet confrontation.
- Situations that might lead to confrontation with North Korea.

The decision to include more of fewer items under the rubric of Strategic Warning will be based on several considerations:

- Inclusion as strategic warning will bring more resources and formal procedures to bear on the topic.
- The more topics included in strategic warning the more expensive the warning system becomes or the more thinly the resources wholly dedicated to warning are spread.

29. Physical Location of DCI's Crisis Management Task Force. Although this question is not of the same generality as the preceding questions of organization for warning, it has important implications for the suitability of any organization to support preparations for crisis management. This is because some organizational choices will not be compatible with directing the training and preparation work implicit in some choices of task force location. Thus an incompatible set of choices would require other organizational arrangements to make the system work.

The attached table summarizes the arguments for and against the three major candidate locations in terms of arrows going up to

indicate desirability, horizontal to indicate neutrality and down to shown undesirability. Additional options can consist of a priority ordering of these basic locations with a concomitant increase in cost of preparations for crisis management as the number of potential task force locations increases.

30. Deferred Questions. There are a number of other issues and problems which are not addressed here, but which should be addressed soon after the broad structure of the future Intelligence Community warning organization becomes visible. They include:

-- How much should the DCI become involved in DoD I&W management? For example the HPSCI Staff Report observed,

"Within the DoD Indications System, strong leadership by DIA is necessary...to prevent the entire System's resources from being dominated by the reporting demands associated with a crisis in one part of the world..."

"Personnel management issues...clearly have a major bearing on analytical performance...Although it is widely held that DIA's analytical capacities suffer as a result of personnel management problems, the difficult issues involved...balancing the need for fresh operational perspectives against the desirability of experienced intelligence personnel...is not adequately addressed."

	Anal. Talent Available	DCI Access to Policymakers	TG Members/DCI Mutual Rapport	Communications w/ Other Organizations	Access to Collectors	Focusability to DCI Problems	Space	Major +	Major -
CIA Langley	↑	↓	↑	↑	→	↑	↑	Analytic Talent DCI/TG rapport	Location
Pentagon	→	→	↓	↑	↑	↓	↑	Elaborate display & Comms facilities	Conflicting demands in military-related crisis
EOB	↓	↑	→	↓	↓	↑	↓	Proximity to President & NSC	Space No in-place talent

*Use of EOB assumes presence of NFAC liaison officers in the EOB office.

Secret
576442 6-78 CIA

"...The Secretary of Defense and the Services [should] provide for the implementation of a comprehensive upgrade of the DIA-managed World-wide Indications & Warning System."

- Relationship of the DCI to the NCA.
- Arrangements for the relocation and support of the DCI in extreme crisis.
- The DCI's responsibilities to the Unified and Specified Commanders.
- The DCI's role in war.
- The wartime status of NPIC.
- The Command Relationships Agreement.
- General communications support of I&W and Crisis Management. In this connection the HPSCI Staff Report noted,

"...serious communications deficiencies are still among the major weaknesses of the warning community...

The deficiencies include:

- Serious backlogs and delay in receipt and dissemination of vital intelligence during crises
- Lack of jam-resistant communications
- Lack of secure voice connections with most Defense Attaches
- Lack of a secure voice conferencing capability among I&W centers outside of the Washington area" (p. 100)

-- How should warning judgments be presented?

-- Should one use standard terminology or quasi-quantitative techniques?

-- Should periodic presentations be qualitative or quantitative (at the extreme one could use highly structured presentations, such as are used to present assessments on the Sino-Soviet situation).

-- How should the DCI's Warning Mechanism mesh with the hierarchical system of Warning documents in use or under consideration in DoD?

-- How formal and systematic should warning analysis be and how should the basic policy be implemented? The HPSCI Staff Report noted,

"Methodology, training and analytic support efforts are still in their infancy. Most analysis is performed entirely by intuitive, historical means. Although such means...ought always to play a major part...studies...have repeatedly recommended building in techniques and procedures to overcome biases and to challenge widely held views..." (p. 103)

The options which will eventually be considered with respect to the basic formality of warning analysis will include:

-- Reject the argument that formal analytic procedures are cost-effective means of coping with warning problems.

- Use formal structured procedures for Strategic Warning, but use informal techniques for other warning problems.
- Institute a broad program of formal warning analysis throughout the Community with gradations of increasingly complex methodology applied to warning of more serious situations.

The organizational structure to implement any such decision will follow largely from the overall structure previously selected. Then, the decision will be basically between having each agency independently execute the policy with respect to warning methodology or to have the Intelligence Community focal point take supervisory responsibility for analytical training and methodology development.

- How should the problem of preparing National SITREPs be resolved for future crises?

DRAFT
25 August 1978
RLehman:mak

MEMORANDUM FOR: Director of Central Intelligence

THROUGH : Deputy Director of Central Intelligence

FROM : Robert R. Bowie
Deputy Director for National Foreign Assessment

X1
Deputy Director for Collection Tasking

SUBJECT : The DCI's Role in Warning and Crisis

REFERENCES : a. Report on the DCI's Role in Warning
and Crisis, dtd 22 June 1978

b. Memorandum from DCI to DDCI, same
subject, dtd 18 July 1978

Introduction

1. Your memorandum of 18 July remarks inter alia that, although all the relevant sources and experiences are cited in the Working Group's report (Reference A), the report does not lay out "a series of alternatives between which we can exercise a decision-maker's judgment." You asked for a statement of the essential elements of warning, some alternative ways to achieve an adequate warning program, and an evaluation of previous organizational arrangements for warning.

2. Knowing that you have read the report, we have not attempted to rewrite it or to review again for you the argumentation and background. Rather, this memorandum is confined to the questions you raised. Once

you have indicated your preferences, the report can be revised for use in negotiating Community participation in the warning and crisis management system.

3. Our approach to providing you the clear alternatives you ask for is necessarily somewhat complex, reflecting the intractability and inter-twining of the issues. Section I of this discussion lays out what appear to be the minimum requirements for a national warning system as a yardstick against which to judge alternative approaches. Section II develops a number of models of national warning systems, past, present, and possible, and measures them against the yardstick of Section I. It will be apparent that in deciding among these models, or considering others not discussed, you will have to face certain fundamental issues. These are presented in Section III, with the arguments on each side.

4. The Working Group noted that warning and crisis management probably should be managed together, as related functions involving many of the same people and organizations, but that substantive operations should be kept separate, in order that one crisis in being not obscure the potential emergence of another. For that reason, we address crisis management in Section II by judging whether particular arrangements for Community coordination of warning policy and procedures are suitable for a parallel coordination of crisis management matters. For the substantive side of crisis management, the Working Group did not recommend any change from the approaches you had already evolved ad hoc. We do not,

therefore, review these here, but a few issues remain to be determined. These are included in Section III.

5. When you are ready to express your tentative preferences on the issues here presented, we recommend you meet with us for a review before finally committing yourself. At that time we should also discuss how best to engage the rest of the Community.

I. Requirements for a National Warning System

6. The discussions in the Intelligence Community over the past few years indicate a consensus of a few essential ingredients of a warning program. The wording varies from one forum to another and from one warning and crisis study to another, but one can perceive these essential principles:

- Warning must be an explicit mission of all intelligence organizations,
- There must be a way to converge intelligence information in order to analyze it for I&W content,
- The output must be recognizable as warning,
- The output must flow up, laterally, and down.

7. The complexity of the warning mission has increased rapidly in recent years and the indications of impending crises come to us from a wide variety of geographical and functional specialities within and without the Intelligence Community. This is discussed in paragraphs 5-8 and 36-39 of the 22 June report. We must assign warning as a

mission for all intelligence organizations because of the many sources of indications and in the interests of economy. We cannot afford to duplicate the Intelligence Community with an apparatus devoted solely to I&W.

8. There is a requirement to converge intelligence information in order to analyze it for warning. This implies both a technical capability and a means of focusing organizational activity. Some aspects of these requirements are discussed in paragraphs 26-27 and 34-40 of the report.

9. The intelligence message must be clearly recognizable as a warning. The last thirty years are littered with crises where the indications are perceived, evaluated, and passed on to military operators and national decision makers but the message was not labeled "warning." There were several reasons for the omissions. In some cases the intelligence analyst simply failed to recognize the indications of a crisis. In many more cases, however, the message lacked a warning label because the sender did not have an explicit warning responsibility and a concomitant authority to send a "warning." In other cases, the military operator or national decision maker failed to heed the warning because the sender was not "the official warning office."

10. The output of a national warning system must flow up to the President, laterally to Defense et al, and down to the military operators. This is an obvious responsibility. It is less obvious that the national

warning system is dependent upon inputs from the same sources to whom it owes warning.

11. Just as there is general consensus on principles governing a warning system, there appears to be consensus on the functions that such a system must incorporate. These are:

- Coordination, across the Community and across disciplines, of warning management, policy, procedures and methodologies.
- Analysis, the identification, convergence, and assessment of warning information and the formulation of the warning message.
- Discipline, the means by which Community line organizations, which have primary responsibilities other than warning, are kept sensitive to their warning responsibilities.
- Challenge, the insurance taken out against analytic failure.

II. Systems for Warning

12. There are any number of ways in which these functions can be wired together in a national system. The range is bonded it on extreme by an integrated collection and analysis system fully dedicated to warning and at the other by no system at all. The first is unacceptable as enormously expensive and duplicating (warning is an integral part of all analysis), the second is equally unacceptable both politically (the DCI's "Pearl Harbor" responsibility) and practically (Central Coordination is needed).

13. In this section we analyze both systems used in the past, as you requested, and some other approaches, against the set of requirements postulated in Section I.

14. The "Watch Committee" system used from 1951 to 1974 consisted of a senior interagency committee, usually chaired by the DDCI, that prepared weekly and occasional special watch reports, and a 24-hour jointly manned National Indications Center under a CIA Director. The Committee submitted its reports to USIB (now NFIB) and the DCI issued them after NFIB discussion as is done with estimates. The NIC was linked to the working levels in each intelligence agency through a network of staff officers who acted as warning referents.

15. This arrangement provided all the functions needed for a system. The Watch Committee, assisted by the NIC and staff arrangements throughout the Community, handled both the coordination of policy and operations and the analytic function; the DCI had a central focus for warning. The Community-wide review that was required to prepare for the weekly Committee meetings provided the discipline necessary. The Committee and the NIC in theory at least performed the challenge function from a position partially independent of the current intelligence apparatus.

16. This system eventually failed, not because it was ill-conceived, but because the world in which it functioned changed.

- The intense national concern with surprise Soviet attack which had caused its creation gradually decreased. This led Community managers to give a lower priority to the assignment of good people to the warning apparatus. In time, the NIC became a turkey farm.
- As a consequence, the NIC was no longer capable of performing a challenge function and could not command the respect of line organizations in this role.
- The Watch Committee/NIC missions became confused with the current intelligence mission. The result was both to diffuse the warning effort and to place it in competition with current intelligence.
- The intelligence business matured mightily in the two decades after 1951. Whereas the NIC was the only thing of its kind at the beginning of the period, it had been badly overtaken by the agency operations centers at the end of it in terms of facilities, communications, and access. If it was to play a role in the 70's, it would need an extremely expensive modernization that would unnecessarily duplicate existing facilities. It was, in effect, a fossil of the 50s.
- Handling substance through a committee system, both at the Watch Committee and the NFIB level, was barely workable in the 50s but was never the most effective way

of developing a clear warning message. By the 70s, it had degenerated into haggling over the wording of current intelligence and was clearly ineffective.

- The unwillingness of DCI Helms to name DDCI Walters Chairman of the Watch Committee (leaving the Director of Current Intelligence Acting Chairman) was seen by the Community as a deemphasis of the warning mission, although Helms' private motive was precisely the reverse.

17. The reorganization of 1974 abolished the Watch Committee and the NIC. The Deputy Director for Production, DIA was designated by the DCI as his Special Assistant for Strategic Warning. Under him, a jointly-staffed Strategic Warning Staff was established with a CIA Director. "Strategic Warning" was more precisely defined to deal only with military attack by Communist powers on the US and its allies. (This is the definition referred to below as the "narrow" warning mission.) The SWS was to be a challenge mechanism and to conduct research in the indications and warning field. The Special Assistant, on the advice of the Director, SWS, would on occasion recommend to the DCI the issuance of Strategic Warning Notices. (None have ever been issued.)

18. The strong points of this arrangement were that it gave full recognition to the DoD role in strategic warning and that it provided a direct and uncluttered channel for the warning message. But if the Watch Committee system had been ponderously bureaucratic and stullified; its replacement went too far to the other extreme. In eliminating outmoded organizations and mediocre personnel, we also eliminated the

critical underpinnings of a national warning system. The terms of the essential functions noted above:

- The Special Assistant was supposed to combine, under the DCI, the coordination of policy and operations and the analytic mission. In fact, in his anomalous position--with secondary duties assigned by an authority whose interests often are different from those of the authority for whom he performs his primary ones--he could not play a central coordinating role. The arrangement was widely seen as a retreat by a weakened DCI (Colby) from his warning responsibilities. The Special Assistant has exercised his authority only within the DoD chain of command.
- The SWS has no formal links to the rest of the Community and there is no Community-wide warning organization or routine. Warning outside DoD is entirely a current reporting responsibility. Thus the SWS is unable to serve as an energizing force for warning matters and the warning discipline that might sensitize the Community is lacking.
- Without structured links to the Community the SWS is ineffective in its challenge role. Many analysts are unaware of its existence. Moreover, although it did not inherit the personnel or practices of the NIC, it suffers from the same manning problems.

- The narrowed scope of the strategic warning mission omits a wide range of the warning spectrum. (Referred to below as the "broad" warning mission.)

19. New Models. Current pressures for structure and order, e.g. from HPSCI, are a recognition of these weaknesses. Some relatively feasible and inexpensive ways of repairing them are as follows:

A. Fix the present system. This would require stronger links between the Special Assistant and the DCI on the one hand and the SWS and Community analysts on the other. It could be done by:

- Creating a DCI Committee on Warning chaired by the Special Assistant, and charged with the coordinating of warning policy and operations for the Community (but not substantive assessment).
- Reaffirm and publicize the Special Assistant's responsibility to the DCI for the substantive aspects of warning.
- Broaden the strategic warning mission to include warning of any situation that might lead to US-Soviet confrontation. (A compromise between the narrow and broad missions.)
- Reaffirm the challenge mission of the SWS and require the Community to upgrade its personnel.
- Charge the SWS with conducting a weekly review to sensitize the Community to warning matters; designate referents in each agency through which the full analytic resources of the Community participate in these reviews.

Strengths

- Simple and inexpensive.
- Least disruption of present arrangements.
- Recognizes DoD role in strategic warning.

Weaknesses

- DCI is carrying out his most important single responsibility through an officer not subordinate to him.
- Focus of "management" Committee in DoD incompatible with DCI's crisis management responsibilities to President and NSC.
- The more the mission is broadened to include warning of politico-military and economic events that are realistically most likely to matter to the US in the next few years, the less appropriate lodging this mission in a DIA office becomes and the less capable of dealing with them is a small SWS.
- Conversely, the more narrowly the mission is defined, the larger that slice of the spectrum not covered by any structural warning system.
- An SWS charged with warning of events that are intrinsically unlikely will issue warning very rarely. Either, like the NIC, it will atrophy and fail to warn when it should, or it will go looking for another mission and confuse Community functions and chains of command.

- Manning the SWS will be no easier than before.
- There is no clear role for NFAC, the DCI's own analytic organization, in the warning chain.
- The responsibilities that the Special Assistant will have in the collection field may conflict with those of DD/CT.

B. An NFAC Warning Center. This model would emphasize the importance of the analytic process in warning.

- Scrap the present system.
- Designate a senior NFAC staff officer as the DCI's warning and crisis management officer.
- Make him chairman of a DCI Committee charged with policy and operations.
- Create under him a "Warning Center" in NFAC staffed with perhaps 25 professionals drawn largely from NFAC but with at least some Community participants. It would incorporate, but not control, the NITO for Strategic Warning and his staff. The Center would be responsible for all analytic aspects of warning under a broad definition.
- Provide a Community-wide discipline by requiring the rest of NFAC and other Community agencies to conduct regular warning reviews and provide the results to the Center.
- Encourage challenge and debate among the Center, NIO's, and line organizations.

Strengths

- Recognizes importance of analytic process in warning.
- Provides lively challenge function.
- Center large enough and stimulating enough to avoid stultification, will be much easier to man.
- Center fully able to absorb and analyze warning information.
- Provides a clear focus for the warning information flow Community-wide.

Weaknesses

- Most expensive.
- Minimizes attention to management and collection aspects, especially in crisis management.
- Conflicts with responsibilities of DD/CT.
- Community equities given short shrift.
- Overlap of analytic missions will lead to unnecessary bureaucratic frictions, even paralysis.
- Danger of consumer receiving contradictory interpretations because two analytic channels exist.
- Community participation likely to be pro forma.

C. Split the function

- Scrap the present system.
- Place responsibility for coordination of warning and crisis management policy and operations on the DD/CT, with staff responsibility assigned to the NITO for strategic warning.
- Place responsibility for analytic aspects on the DD/NFA, and establish an NIO for Warning on his staff.
- Define warning broadly.
- Assign the challenge function to the NIO for Warning.
- Provide a network of warning referents in each agency through which the NIO for Warning can sensitize the Community.

Strengths

- Consistent with DCI's reorganization of functions among his deputies.
- Gives major attention to collection aspects.
- Least expensive.

Weaknesses

- No single focus for national warning systems; DCI could be criticized for downgrading importance of warning mission.
- Coordination of warning and collection response more difficult.

- Community equities not fully recognized, especially on analytic side.
- NIO for warning has neither bureaucratic position nor analytic back-up to perform effectively, particularly if warning is broadly defined. System as a whole is fundamentally weak.

D. A hierarchical system. This is the solution recommended in the Working Group study. It attempts to reconcile the diffuse and unpredictable requirements of warning as broadly defined with the critical and often highly specialized requirements of strategic warning as narrowly defined. It would:

- Scrap the present system (but see below).
- Create a unified system with the DCI or DDCI at the apex, acting through a Senior Warning (staff) Officer who would also be responsible for crisis management. (The latter might be a DoD officer.)
- Retain the SWS under the SWO, but improve quality of manning.
- Coordinate Community policy and operations through a senior interagency steering group chaired by DDCI or a DCI Committee chaired by the SWO.
- Handle analytic aspects of warning (broadly defined) through the NIO's acting for the Community, and through the SWO. Both have a challenge responsibility. Provide

a Community discipline by requiring each NIO to convene analysts periodically for discussion of future contingencies; each NIO to report results to SWO.

- Handle analytic aspects as narrowly defined through the SWS in consultation with certain NIO's. Provide a Community discipline through reestablishment of referent network, with periodic strategic warning reviews provided to SWS.

Strengths:

- Demonstrates importance DCI gives to critical mission.
- Places unified responsibility at DDCI level where collection and production threads come together, keeping management lines clear.
- Recognizes most Community equities.
- Places primary challenge function on officers best equipped to perform it (NIO's).
- Encourages through NIO's broadest Community sensitization to warning matters.
- Accommodates both broad and narrow warning functions.

Weaknesses:

- More complicated than other models.
- Would require a few more people than present system.
- Uncertain whether SWS can be made effective.
- May not go far enough toward Community.

E. A variant to D. You have expressed some skepticism as to the usefulness of SWS. It would be possible to eliminate it from Model D, but it would remove a key element from the system. The SWS is the instrument by which periodic sensitization of the Community to the narrow warning mission would be conducted, and an important node at which strategic warning information would be converged. It could be replaced by:

- Placing an additional burden on the NIO/SP, NIO/CF, and NIO/USSREE; or
- Creating an NIO for Strategic Warning; or
- Providing the SWO with additional staff.

There are difficulties in all these, but the best solution would appear to be an NIO/SW.

As compared with Model D, Model E would:

- Be less expensive, as SWS positions could be used to provide the staff positions called for in the agencies and under the DCI.
- Provide somewhat less attention to the narrow strategic warning mission.
- Fulfill three of the four functions equally well, but would be less effective in providing a warning discipline.
- Be somewhat simpler in structure and function.

SECRET

Policy Issues

20. In the preceding sections five broad organizational structures were discussed representing different compromises among the policy issues that await decision. In the following sections each of these policy issues is discussed in its own right. These issues fall into two categories. First, basic organizational and doctrinal issues that should be decided initially in order to get the show on the road. Second, important issues of substance and administration that can be addressed as well or better after the basic organizational structure is fixed.

21. Leadership Issues. The HPSCI Staff Report noted that there is a need for a leadership focus for warning. In particular the HPSCI recommends, "That the DCI provide a focus for warning leadership in the community, which may require appointment of a special assistant for warning." (See HPSCI Staff Report, pg. 106ff, for complete statement.) Most observers share the HPSCI view on the existence of a basic need, but there is room for disagreement about where to lodge the focus function and about what form it should take. The decisions made will largely determine the balance that is struck between two sets of competing demands in the area of warning and crisis management.

- How to balance the attention given to analysis against that given to collection. Most observers agree that current analytic weaknesses are of more immediate concern from a warning viewpoint. However, collection involves far more resources so that errors there can be more costly in terms of routine operations. Further during crises the allocation and control of collection assets will present some of the most difficult decisions in crisis management.

- How to balance the demands on analytic and collection resources that arise from military requirements against those that arise from the broader needs of the President and his foreign policy advisers.

22. Where to lodge the Leadership Function. There are a number of possibilities. None is without fault. Each has advantages. These are listed succinctly below.

SECRET

SECRET

O/DCI

- Pro - Symbolic of importance of warning.
 - Ready access to DCI.
 - Clearly a Community position.
- Con - DCI spread too thin to give it attention.
 - Tend to subvert chain of command?

O/DDCI

- Pro - Symbolic importance still there.
 - Moderate access to DCI.
- Con - Tend to subvert chain of command?

O/DD/NFA

- Pro - Warning is largely an analytic problem so here's where the assets are.
- Con - Tendency for Defense to see this as a "CIA" position.
 - Reduced access to collectors, especially for planning crisis management preparations.

O/DD/CT

- Pro - Seen by Defense as more "Community" than DD/NFA.
 - Here is where control of assets used in crisis management will be exercised.
- Con - Reduced access to analysts who are primary warning source.

O/DD/RM

- Pro - Short of DCI the Deputy most seen by observers from outside CIA as "Community".
 - Has expertise to examine programs and evaluate efforts.
- Con - Has direct control of no analytic or collection assets.
 - Assignment of this function would require broadening charter somewhat.

Defense Department

- Pro - Access to elaborate DoD I&W mechanisms.
- Con - Split responsibility.
 - Lack of access to DCI and political analysts.
 - Will not be seen as Community.

SECRET

SECRET

Split. There are a number of splits possible. One listed among the broad organizational choices is to split responsibility between DD/NFA and DD/CT. The factors arguing for or against any such split are.

Pro - Warning & crisis management cross existing organizational responsibilities. So making any one official a focal point will do violence to the existing chain of command.

Con - Splitting the function will be seen by most observers as reducing the importance attached to fulfilling the warning function.

23. Form of the Leadership Focus. The choices seem to be among a person, a committee, an organization and some combination of these three.

-A person with, say, one assistant and 1-2 clerical helpers.

Pro - This is enough to tweak extant systems and to stir the pot, but is not so much as to duplicate management functions of the line organizations.

-It is an inexpensive step to take.

Con - This is not enough to do any independent warning analysis.

-A committee representing all of the agencies of the Intelligence Community.

Pro - Decisions made by a group in which each agency has a voice are more likely to stick than decisions made by an independent individual or group.

-A committee of fairly senior officials will provide greater assurance of some management attention to warning in each agency than other alternatives.

Con - Committees in general tend to arrive at consensus rather than to take an initiative.

-An organization of one or two dozen people would in effect perpetuate or recreate the Strategic Warning Staff.

Pro - Such a staff can do independent warning analysis.
- Can perform an effective devil's advocacy role in the Community.

Con - Most costly of the three options.
- Problem keeping such a group relevant. They tend to become isolated and moribund.

SECRET

SECRET

This is a generalization of the issue raised in the HPSCI Staff Report,

"The management role of NIOs in warning analyses--ensuring the right questions are addressed and that alternative hypotheses are considered--needs to be emphasized."

The Staff Report assumes that NIOs should provide the discipline function, but depending on how the Intelligence Community is organized for warning in general other options might be used instead of or in addition to the NIO's roles. Some options are:

NIO's schedule regular meetings, at least monthly, attended by representatives of all agencies to address recent events in their areas from a warning perspective.

Pro - Such a group will represent the best assembly of knowledge on a particular area in the Intelligence Community and is the group most likely to have seen the straws in the wind that would indicate the need for warning.

Con - The mechanism is heavily dependent on the individual skill of the NIO in conducting meetings.

Warning topics are addressed periodically, by a formal questionnaire technique in which knowledgeable analysts are required to respond to the implications of specific pieces of evidence.

Pro - This mechanism is neater in terms of management oversight in that the topics being covered and responses are more clear cut than are likely if only periodic meetings are used.

Con - The administration of such a system will require substantially more money and manpower than simply meeting periodically. Further such mechanisms tend to become inflexible and to continue on when they have outlived their usefulness.

Systems of indicators can be developed and processed using computer-based data processing of current intelligence to signal the reaching of certain thresholds.

Pro - This mechanism is the one that is least likely to ignore deviant pieces of information which do not conform to the conventional wisdom.

Con - Developing indicators is very costly in terms of manpower and money. Operating such a system will require further large investments.

Combination options can be made up of the three basic alternatives above, e.g. one could use meetings to survey the world in general to nominate topics for inclusion in or removal from more formal systems of questionnaires or indicators.

SECRET

SECRET

This is a generalization of the issue raised in the HSPCI Staff Report,

"No mechanism exists that encourages analysts to address the follow-on questions that are implicit in their assumptions about a situation...or to ensure that analysts confront all reasonable alternative hypotheses. Some NIOs [do not] play a significant role in warning. The SWS...cannot require analysts through the community to address the warning implications of current events or to confront each others' interpretations."
(HPSCI Staff Report, p. 102)

Obviously the answer to the question depends on how the Community is structured for warning in general.

Task the NIOs to challenge the conventional wisdom.

- Pro - The NIOs have the expertise to see disturbing trends and ask hard questions in their areas.
- The NIOs already have established professional networks or subcommunities within the Intelligence Community into which challenges may be inserted.

Con - The NIOs are deeply involved in day to day intelligence analysis and so are prone to accept the conventional wisdom.

Establish a special group to conduct warning analyses. In effect this is to retain or reestablish the SWS with the number of people a variable.

- Pro - It is easier for people who are specifically charged with warning to "think ominously" than it is for people who are caught up in other intelligence tasks.

Con - Warning organizations tend to become isolated and moribund.

Establish a warning specialist in each major Intelligence Community agency to provide the challenge function in their own agency.

- Pro - The specialist within each agency is more likely to be supported by the senior managers of the agency than is an "outside" organization.

Con - It is difficult to see how the agency warning specialist can have sufficient area and substantive expertise to challenge effectively without becoming an organization made up of expert individuals. In this case the numbers of people required by the Intelligence Community to perform the warning challenge function is greater than with other options.

SECRET

SECRET

Combination options can be made up of the three basic alternatives above, e.g. task the NIOs to perform the challenge function, but have one or two Community warning specialists who periodically challenge the NIOs. Another would be to task NIOs to handle warning in general while a special warning group handles warning of impending hostilities between US and Allied forces and Warsaw Pact or North Korean forces.

SECRET

SECRET

26. How to Convey Warning. The HPSCI Staff Report noted,

"No system of products exists to convey warning judgments clearly and persuasively to the user...there is no systematic way for a user to compare today's intelligence judgment with yesterday's and to perceive warning in terms of the rate of change in a situation. Proposals for a coherent family of warning products...have been made..." (p. 104)

What one can do in response to this depends, in part, on decisions made with respect to other issues.

-Revive the Alert Memorandum with a lower threshold for issuance.

-Pro - It is a reasonably neat clean statement.

-Con - It does not automatically capture the nuances of changing judgments.

-Use a regular Intelligence Community publication for a presentation of assessments of warning prospects for various problem areas. How to select the areas to be treated depends on the overall warning mechanism selected.

-Pro - Will periodically and clearly show how Community assessments change.

-Con - Will require a significant diversion of current intelligence resources.

SECRET

SECRET

Approved For Release 2005/01/06 : CIA-RDP83B01027R000200050014-6

27. Disposition of the SWS. This is a more general statement of the issue raised in the HPSCI Staff Report,

"SWS...should at a minimum be ensured of promptly receiving all warning relevant intelligence, including operational and policy information. SWS should play a less detached role in warning community efforts."

While the HPSCI Staff Report assumes that the SWS will continue basically unaltered other options are available and indeed are implied in some of the options listed under other issues/problems. Broadly stated the options turn out to be:

Continue the SWS perhaps with minor modifications of coverage, personnel and organization.

Expand the SWS to allow it to perform broad ranging warning analyses.

Disperse the SWS to form a system of agency warning specialists throughout the Intelligence Community.

Disband the SWS. (Option E of the organizational proposals.)

The pros and cons of each of these options are discussed under the appropriate issue/problem heading. In addition there are some arguments that pertain to the SWS as an organizational entity.

In favor of continuing the SWS - The SWS is the most significant Community structure linking various agencies, notably CIA and DoD, in the warning field. It has value as a symbol of the DCI's commitment to an active role in helping DoD solve what it sees as its warning problem.

In favor of dismantling the SWS - The SWS is widely perceived by analysts as moribund and irrelevant. It will carry this baggage into any new program for warning, in effect requiring that it live down its reputation, something a new organizational structure would not have to do.

SECRET

Approved For Release 2005/01/06 : CIA-RDP83B01027R000200050014-6

SECRET

28. Strategic Warning. Clearly warning is not equally important for all events. Historically two categories have been used. The boundary between them will be important in defining where components of any organizational structure will focus. For example, any organizational decision which gives both the NIOs and a special organization responsibilities for warning will tend to result in the NIOs covering warning in general and the special organization covering Strategic Warning.

The options available appear to be to define Strategic Warning to include some part of the following list:

- Military attacks by the Warsaw Pact or North Korea.
- Military attacks by the PRC.
- Military attacks by other powers.
- Situations that might lead to US-Soviet confrontation.
- Situations that might lead to confrontation with North Korea.

The decision to include more or fewer items under the rubric of Strategic Warning will be based on several considerations:

- Inclusion as strategic warning will bring more resources and formal procedures to bear on the topic.
- The more topics included in strategic warning the more expensive the warning system becomes or the more thinly the resources wholly dedicated to warning are spread.

29. Physical Location of DCI's Crisis Management Task Force. Although this question is not of the same generality as the preceding questions of organization for warning, it has important implications for the suitability of any organization to support preparations for crisis management. This is because some organizational choices will not be compatible with directing the training and preparation work implicit in some choices of task force location. Thus an incompatible set of choices would require other organizational arrangements to make the system work.

The attached table summarizes the arguments for and against the three major candidate locations in terms of arrows going up to indicate desirability, horizontal to indicate neutrality and down to shown undesirability. Additional options can consist of a priority ordering of these basic locations with a concomitant increase in cost of preparations for crisis management as the number of potential task force locations increases.

SECRET

	Anal. Talent Available	DCI Access to Policymakers	TG Members/DCI Mutual Rapport	Communications w/ Other Organizations	Access to Collectors	Focusibility to DCI Problems	Space	Major +	Major -
CIA Langley	↑	↓	↑	↑	→	↑	↑	Analytic Talent DCI/TG rapport	Location
Pentagon	→	→	↓	↑	↑	↓	↑	Elaborate display & Comms facilities	Conflicting demands in military-related crisis
EOB*	↓	↑	→	↓	↓	↑	↓	Proximity to President & NSC	Space No in-place talent

*Use of EOB assumes presence of NFAC liaison officers in the EOB office.

Secret
576442 6-78 CIA

SECRET

30. Deferred Questions. There are a number of other issues and problems which are not addressed here, but which should be addressed soon after the broad structure of the future Intelligence Community warning organization becomes visible. They include:

-How much should the DCI become involved in DoD I&W management? For example the HPSCI Staff Report observed,

"Within the DoD Indications System, strong leadership by DIA is necessary...to prevent the entire System's resources from being dominated by the reporting demands associated with a crisis in one part of the world..."

"Personnel management issues...clearly have a major bearing on analytical performance...Although it is widely held that DIA's analytical capacities suffer as a result of personnel management problems, the difficult issues involved...balancing the need for fresh operational perspectives against the desirability of experienced intelligence personnel...is not adequately addressed."

"...The Secretary of Defense and the Services [should] provide for the implementation of a comprehensive upgrade of the DIA-managed World-wide Indications & Warning System."

-Relationship of the DCI to the NCA.

-Arrangements for the relocation and support of the DCI in extreme crisis.

-The DCI's responsibilities to the Unified and Specified Commanders.

-The DCI's role in war.

-The wartime status of NPIC.

-The Command Relationships Agreement.

-General communications support of I&W and Crisis Management. In this connection the HPSCI Staff Report noted,

"...serious communications deficiencies are still among the major weaknesses of the warning community...The deficiencies include:

- serious backlogs and delay in receipt and dissemination of vital intelligence during crises
- lack of jam-resistant communications
- lack of secure voice connections with most Defense Attaches
- lack of a secure voice conferencing capability among I&S centers outside of the Washington area"

(p. 100)

SECRET

SECRET

-How should warning judgments be presented?

- Should one use standard terminology or quasi-quantitative techniques?
- Should periodic presentations be qualitative or quantitative (at the extreme one could use highly structured presentations, such as are used to present assessments on the Sino-Soviet situation)?

-How should the DCI's Warning Mechanism mesh with the hierarchical system of Warning documents in use or under consideration in DoD?

-How formal and systematic should warning analysis be and how should the basic policy be implemented? The HPSCI Staff Report noted,

"Methodology, training and analytic support efforts are still in their infancy. Most analysis is performed entirely by intuitive, historical means. Although such means...ought always to play a major part...studies... have repeatedly recommended building in techniques and procedures to overcome biases and to challenge widely held views..." (p. 103)

The options which will eventually be considered with respect to the basic formality of warning analysis will include:

- Reject the argument that formal analytic procedures are cost-effective means of coping with warning problems.
- Use formal structured procedures for Strategic Warning, but use informal techniques for other warning problems.
- Institute a broad program of formal warning analysis throughout the Community with gradations of increasingly complex methodology applied to warning of more serious situations.

The organizational structure to implement any such decision will follow largely from the overall structure previously selected. Then, the decision will be basically between having each agency independently execute the policy with respect to warning methodology or to have the Intelligence Community focal point take supervisory responsibility for analytical training and methodology development.

- How should the problem of preparing National SITREPs be resolved for future crises?

SECRET

SECRET

